

**STATEMENT OF NET ASSETS**

SEPTEMBER 30, 2006

(In Thousands)

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	COMPONENT UNITS
<b>ASSETS</b>				
Current Assets:				
Cash	\$ 7,307	\$ 7,709	\$ 15,016	\$ 769,684
Equity in common cash (Note 5)	1,078,067	82,477	1,160,544	156,799
Taxes, interest, and penalties receivable (Note 6)	5,075,376	-	5,075,376	-
Internal balances	19,147	(19,147)	-	-
Amounts due from component units	4,653	359	5,012	334
Amounts due from primary government	-	-	-	188,407
Amounts due from federal government	974,007	1,425	975,432	41,124
Amounts due from local units	190,495	36,635	227,130	750,988
Inventories	48,679	7,128	55,808	19,301
Investments (Note 8)	227,686	454,054	681,740	1,760,878
Securities lending collateral (Note 8)	196,338	391,855	588,193	-
Other current assets	657,126	286,959	944,086	491,433
Total Current Assets	8,478,882	1,249,454	9,728,336	4,178,949
Restricted Assets:				
Cash and cash equivalents	-	-	-	50,797
Investments	-	-	-	395,272
Mortgages and loans receivable	-	-	-	47,553
Taxes, interest, and penalties receivable (Note 6)	304,350	-	304,350	-
Amounts due from federal government	9,365	-	9,365	-
Amounts due from local units	583,963	-	583,963	2,790,007
Mortgages and loans receivable	-	-	-	3,595,857
Investments (Note 8)	656,075	350,780	1,006,856	2,612,202
Capital Assets (Note 9):				
Land and other non-depreciable assets	3,244,164	-	3,244,164	112,624
Buildings, equipment, and other depreciable assets	4,831,068	4,741	4,835,809	4,334,695
Less accumulated depreciation	(2,195,897)	(4,329)	(2,200,226)	(1,644,887)
Infrastructure	12,379,939	-	12,379,939	102,722
Construction in progress	968,476	-	968,476	161,272
Total capital assets	19,227,750	412	19,228,162	3,066,425
Interest in joint ventures (Note 7)	32,644	-	32,644	-
Other noncurrent assets	53,662	18,200	71,862	315,407
Total Assets	\$ 29,346,692	\$ 1,618,846	\$ 30,965,538	\$ 17,052,468
<b>LIABILITIES</b>				
Current Liabilities:				
Warrants outstanding	\$ 100,164	\$ 8,092	\$ 108,256	\$ 5,009
Obligations under security lending	196,338	391,855	588,193	-
Accounts payable and other liabilities	2,506,371	223,433	2,729,804	325,980
Income tax refunds payable (Note 15)	672,394	-	672,394	-
Amounts due to component units	2,319	-	2,319	154
Amounts due to primary government	-	-	-	5,897
Bonds and notes payable (Notes 12 and 13)	260,755	-	260,755	895,972
Interest payable	126,763	-	126,763	106,764
Deferred revenue	105,448	524	105,972	69,806
Current portion of other long-term obligations (Note 14)	282,597	319	282,916	119,651
Total Current Liabilities	4,253,149	624,224	4,877,372	1,529,234
Prize awards payable (Note 14)	-	316,304	316,304	-
Deferred revenue	18,570	-	18,570	3,048
Bonds and notes payable (Notes 12 and 13)	7,206,112	-	7,206,112	7,939,623
Noncurrent portion of other long-term obligations (Note 14)	1,701,094	48,099	1,749,192	1,502,326
Total Liabilities	\$ 13,178,925	\$ 988,626	\$ 14,167,551	\$ 10,974,230

The accompanying notes are an integral part of the financial statements.

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	\$ 15,827,600	\$ 412	\$ 15,828,012	\$ 1,956,023
Restricted For:				
Education	-	-	-	229,041
Construction and debt service	-	-	-	321,036
Public safety and corrections	4,947	-	4,947	-
Conservation, environment, recreation, and agriculture	451,310	-	451,310	-
Health and human services	47,716	-	47,716	-
Transportation	791,443	-	791,443	-
Unemployment compensation	-	585,903	585,903	-
Labor and economic growth	63,269	-	63,269	-
Other purposes	98,595	36,079	134,674	1,947,682
Funds Held as Permanent Investments:				
Expendable	100,276	-	100,276	36,257
Nonexpendable	507,409	-	507,409	221,221
Unrestricted	(1,724,799)	7,827	(1,716,972)	1,366,978
Total Net Assets	<u>\$ 16,167,767</u>	<u>\$ 630,220</u>	<u>\$ 16,797,987</u>	<u>\$ 6,078,238</u>